



## Rural Business Opportunity Grant (RBOG) Program – FY2005 Overview

The RBOG program provides grant funds for **strategic** technical assistance, training, and planning activities that promote “best practices” in sustainable economic development for rural communities with exceptional needs (i.e., those that have experienced recent natural disaster or structural changes, or long term poverty, population decline or job deterioration). Detailed information is on-line at: <http://www.rurdev.usda.gov/rbs/busp/rbog.htm>

### Funds available

In 2005, approximately **\$992,000 is to be awarded** via a nationwide competition. (There is no Oregon state allocation.)

Grant size: **\$50,000 maximum per project** (\$150,000 maximum for multi-state projects)

**For FY 2005, applications must be received by USDA Rural Development by May 27, 2005.**

*Another \$992,000 is earmarked to assist Native American communities. There is no grant size restriction on these funds.*

### Eligible applicants

Public bodies, nonprofit corporations, tribes, & rural cooperatives – with sufficient financial strength & expertise to conduct the proposed activity. *Individuals & for-profit organizations are not eligible.*

### Authorized purposes

Only **rural** communities (outside the urbanized periphery of cities with a population of 50,000) may be assisted.

RBOG’s may be used for the following project types that have a reasonable prospect for economic development success:

- **Technical assistance** – for analyzing & identifying business opportunities; for developing feasibility studies & business plans; for the creation of new businesses using rural resources; for export market opportunities
- **Training** – for existing or prospective rural entrepreneurs & managers; for rural leadership development
- **Planning** – for local or multi-county economic development
- **Business support centers** – for the creation of new businesses; for training in technology (including interactive communications technologies) & trade development (including international trade)
- Reasonable fees for professional services necessary to conduct the above activities

The activity must be consistent & coordinated with local & area economic development plans.

### Other program features

- **Matching funds** – There is no matching requirement, but priority points are awarded to projects with higher leveraging.
- **Project timeframes** – RBOG funds may be used for a project period not to exceed 2 years. If a project will require more than 2 years to complete, no more than a single year’s costs may be funded at a time with RBOG funds.
- **Grant limitations** – RBOG funds may **not** be used for real estate acquisition or development; grant application costs; costs incurred prior to the grant award; or political activities

### Priority Point System

RBOG applications are competitively chosen for funding based on how well they meet the following selection criteria:

Max Points	Grant selection criteria
10	Sustainability of the project without further subsidy
10	Prospect for economic development success
30	Leverage: RBOG <20% of project (30 pts); 20-49% (20 pts); 50-74% (10 pts); >75% (0 pts)
40	Community need: recent disaster (15 pts); recent structural change (15 pts); long-term poverty (10 pts); long-term population decline (10 pts); long-term job deterioration (10 pts)
10	Usefulness as a new “best practice”
15	USDA State Director discretionary points
20	USDA Administrator discretionary points

### Helpful RBOG links

**FY2005 Notice Inviting Applications** was published in the Federal Register on March 16, 2005. The notice outlines funds available and the application process: <http://www.rurdev.usda.gov/rd/nofas/2005/rbog031605.pdf>

**RBOG program regulations.** The RBOG program is governed by RD Instruction 4284-G which is on-line at: <http://www.rurdev.usda.gov/regs/regs/pdf/4284g.pdf>

### **Contents of a complete RBOG application**

**By May 27, 2005**, submit one (1) original *and* one (1) copy of all of the following documents to: USDA Rural Development, Oregon State Office, Attn: Business Programs, 1201 NE Lloyd Blvd., Ste. 801, Portland, OR 97232-1208

1. Forms SF 424, 424A, and 424B, “Application for Federal Assistance (For Non-Construction)”, “Budget Information” & “Assurances”. These three forms are on-line at:  
<http://www.whitehouse.gov/omb/grants/sf424.pdf> (Note: Item #10 “Catalog Number” is 10.773)  
<http://www.whitehouse.gov/omb/grants/sf424a.pdf>  
<http://www.whitehouse.gov/omb/grants/sf424b.pdf>  
 Note: All applicants must provide a “DUNS number”. The process for obtaining a DUNS number is explained at: [http://www.whitehouse.gov/omb/grants/duns\\_num\\_guide.pdf](http://www.whitehouse.gov/omb/grants/duns_num_guide.pdf)
2. “Survey on Ensuring Equal Opportunity for Applicants.” This form (required for nonprofits *only*) is on-line at:  
[http://www.hudclips.org/sub\\_nonhud/cgi/pdf/forms/sf424sup.pdf](http://www.hudclips.org/sub_nonhud/cgi/pdf/forms/sf424sup.pdf) (Note: “CDFA Number” is 10.773)
3. Organizational documents – showing the applicant’s legal existence and authority to undertake the RBOG project.
4. Current balance sheet & income statement – most recent CPA-prepared, fiscal year-end financial statements.
5. “RBOG Scope of Work & Narrative”. A narrative describing & supporting the proposal. Supporting documentation may be attached as needed. The following topics must be addressed:
  - a. Description of the proposed project & details of the proposed activities
  - b. Timeframes for completion of each task, number of months duration of the project, & estimated time from grant approval to beginning of project implementation
  - c. Why the project is needed & benefits of the project
  - d. Area to be served (identifying each governmental jurisdiction to be served by the project)
  - e. How the project will coordinate with other economic development activities within the project area
  - f. Businesses to be assisted & economic development to be accomplished
  - g. How the project will increase & save jobs in the area; number of projected new & saved jobs
  - h. Description of applicant’s demonstrated capability & experience in providing similar economic development activities, with credentials of key persons that will deliver & manage the project (e.g., resumes)
  - i. Method & rationale used by the applicant to select the areas & businesses that the project will serve
  - j. Brief description of how work will be performed, including whether staff, consultants, or contractors will be used
  - k. Indicate your willingness to prepare a report for public distribution that will describe the accomplishments of the project and outline it as a “best practice” in economic development
  - l. Evaluation method to be used by the applicant to determine if the objectives of the project are being accomplished
  - m. More detail explaining the project’s budget (supplementing Form SF 424A) – e.g. *pro forma* operating statements
  - n. Explain & providing supporting information to show how your project meets the RBOG selection criteria:
    - i. “the extent to which economic development resulting from the proposed project will be sustainable over the long term by local efforts, without the need for continued subsidies by governments or other organizations outside the community” – (10 pts)
    - ii. “the extent to which the project should lead to improvements in the quality of economic activity within the community, such as higher wages, improved benefits, greater career potential, and the use of higher levels of skills than currently are typical within the economy” – (10 pts)
    - iii. “the percentage of the cost of the overall program that will be funded by the grant” – RBOG <20% of project (30 pts); 20-49% (20 pts); 50-74% (10 pts); >75% (0 pts)
    - iv. the community to be served is “experiencing trauma due to a major natural disaster that occurred not more than 3 years prior to the filing of the application for RBOG assistance” – (15 pts)
    - v. the community to be served is “undergoing fundamental structural change in the local economy, such as that caused by the closing or major downsizing of a military facility or other major employer not more than 3 years prior to the filing of the application for RBOG assistance” – (15 pts)
    - vi. the community to be served is “has experienced long-term [i.e., since 1980 ] poverty” – (10 pts)
    - vii. the community to be served is “has experienced long-term [i.e., since 1980 ] population decline” – (10 pts)
    - viii. the community to be served is “has experienced long-term [i.e., since 1980] job deterioration” – (10 pts)
    - ix. “the extent of the project’s usefulness as a new best practice” (i.e., its “potential applicability in other rural communities and ... instructional value when shared with those communities”) – (10 pts)